

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**

Governor

Joanna Prukop  
Cabinet Secretary  
Reese Fullerton  
Deputy Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division



Administrative Order DHC-3731-A

Order Date: 5/30/2008

Application Reference Number: pKVR0814133996

BLACK HILLS GAS RESOURCES, INC.

3104 N. Sullivan  
Farmington, NM 87401

Attention: Mike Pippin, LLC

JICARILLA 29 2 5 Well No. 044  
API No: 30-039-29315  
Unit P, Section 5, Township 29 North, Range 2 West, NMPM  
Rio Arriba County, New Mexico

Pool:	Basin Fruitland Coal (Gas)	Gas 71629
Names:	Blanco Pictured Cliffs, East (Gas)	Gas 72400
	La Jara Canyon Tertiary (Gas)	Gas 97036
	Wildcat Kirtland (Gas)	Gas 97490

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows.

Basin Fruitland Coal (Gas) Pool	Pct Gas: 16	Pct Oil: 0
Blanco Pictured Cliffs, East (Gas) Pool	Pct Gas: 46	Pct Oil: 100
La Jara Canyon Tertiary (Gas) Pool	Pct Gas: 35	Pct Oil: 0

Oil Conservation Division \* 1220 South St. Francis Drive

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Wildcat Kirtland (Gas) Pool	Pct Gas: 3	Pct Oil: 0
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These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E.  
Director

cc: Oil Conservation Division – Aztec  
Bureau of Land Management - Farmington